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TSXV Trading Symbol: MVN

### **Madalena Announces a 1,045 Boe/d (84% Oil) Ostracod Production Test in West-Central Alberta**

Madalena Energy Inc. (TSXV: MVN) (the “Company” or “Madalena”) is pleased to announce the results of a 3 day production test of its most recent 100% working interest horizontal Ostracod oil well located at 1-32-55-7W5M in the Paddle River area of west-central Alberta.

The well reached a total depth of 3,250 metres, including a 1,380 metre horizontal trajectory. Completion operations included a 16-stage multi-frac program where a total of 4,800 barrels of water-based load fluid were pumped. The well was subsequently production tested for 3 days during which time the well flowed continuously and recovered a total of 3,120 barrels of load fluid (representing 64% of the pumped volume). During the 3 day test, the well flowed at an average rate of 877 bbls/d of 30° API oil and 1.007 mmscf/d of natural gas for a total of **1,045 Boe/d (84% Oil)**. The test rate over the last 24 hours was approximately 788 bbls/d of oil and 1.092 mmscf/d of natural gas (on a 3/4" choke at a flowing wellhead pressure averaging 200 psi). After accounting for shrinkage and NGLs recovery at the local production facility, the test rate over the final 24 hours would equate to approximately 957 boe/d (87% oil & NGLs).

This horizontal well is currently shut-in and operations to equip the well for production and tie-in the solution gas to existing Madalena facilities are underway. The Company anticipates that this horizontal well will be brought on-stream in October.

Madalena has a large land base of over 150 net sections in the Greater Paddle River area of which the company controls approximately **60 net sections** of land **across the Ostracod oil trend** and has a significant inventory of drill-ready horizontal locations for Ostracod development.

While Madalena is very encouraged by the initial results from this horizontal well, the flowback information disclosed above should be considered preliminary and is not indicative of the well’s long-term performance. Ongoing technical work and operational enhancements continue to improve the Company’s understanding of the ultimate potential of its Ostracod oil play with further optimizations being made via the drilling and completions execution.

### **About Madalena – International and Domestic Assets**

Madalena is an independent, Canadian-based, international and domestic upstream oil and gas company whose main business activities include exploration, development and production of crude oil, natural gas liquids and natural gas.

Internationally, Madalena holds three large blocks within the prolific Neuquén basin in Argentina where it is focused on the delineation of vast shale and unconventional resources in the Vaca Muerta, Lower Agrío and Los Molles shales, in addition to tight sand plays in the Mulichinco and Quintuco. The Company is also developing a conventional oil play in the Sierras Blancas formation. Madalena holds *135,000 net acres* on the *Coiron Amargo*, *Curamhuele* and *Cortadera* blocks.

Domestically, Madalena's core area of operations is located in the Greater Paddle River area of west-central Alberta where the Company holds approximately 200 gross (>150 net) sections of land (78% average W.I.)

encompassing multiple light oil and liquids-rich resource plays. Madalena's domestic focus is to exploit its large inventory of horizontal development locations on its Ostracod oil, Notikewin/Wilrich liquids-rich gas, and emerging Nordegg oil & liquids-rich gas resource plays. Madalena also holds more than 100 net sections (100% W.I.) which are prospective for the Duvernay shale.

Madalena trades on the TSX Venture Exchange under the symbol MVN. Basic corporate information, recent news releases and regularly updated corporate presentations are available on the Company's website at [www.madalenaenergy.com](http://www.madalenaenergy.com).

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**Reader Advisories**

*Forward Looking Information*

The information in this news release contains certain forward-looking statements. These statements relate to future events or our future performance, in particular with respect to the Company's reserves and production from its properties. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "approximate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would" and similar expressions. In particular, this news release contains forward-looking statements pertaining to operational activities to be conducted by the Company. These statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control, including: the impact of general economic conditions; industry conditions; changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; fluctuations in commodity prices and foreign exchange and interest rates; stock market volatility and market valuations; volatility in market prices for oil and natural gas; liabilities inherent in oil and natural gas operations; uncertainties associated with estimating oil and natural gas reserves; competition for, among other things, capital, acquisitions, of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry; geological, technical, drilling and processing problems and other difficulties in producing petroleum reserves; and obtaining required approvals of regulatory authorities. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, such forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, what benefits the Company will derive from them. These statements are subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. The forward-looking statements in this news release are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements. Investors are encouraged to review and consider the additional risk factors set forth in the Company's Annual Information Form, which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

*Reserves and Other Oil and Gas Disclosure*

Any references in this news release to test rates, flow rates, initial and/or final raw test or production rates, early production, test volumes behind pipe and/or "flush" production rates are useful in confirming the presence of hydrocarbons, however, such rates are not necessarily indicative of long-term performance or of ultimate recovery. Such rates may also include recovered "load" fluids used in well completion stimulation. Readers are cautioned not to place reliance on such rates in calculating the aggregate production for Madalena.

All calculations converting natural gas to barrels of oil equivalent ("boe") have been made using a conversion ratio of six thousand cubic feet (six "Mcf") of natural gas to one barrel of oil, unless otherwise stated. The use of boe may be misleading, particularly if used in isolation, as the conversion ratio of six Mcf of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

**Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.**